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SIPDIS
SENSITIVE

FOR UNDERSECRETARY KENNEDY FROM AMBASSADOR ERELI

E.O. 12958: N/A
TAGS: [AMGT](#) [ABLD](#) [ECON](#) [BA](#)
SUBJECT: SCENESETTER FOR U/S KENNEDY'S JULY 28-30 VISIT TO
MANAMA

INTRODUCTION

¶1. (SBU) Embassy Manama warmly welcomes your visit. Bahrain, though small in size, figures prominently in our ability to achieve key policy objectives in this region. The bilateral relationship is strong, and the ruling family regards the U.S. as the guarantor of Bahrain's security. The headquarters of the U.S. Navy's Fifth Fleet is the cornerstone of our expanding security relationship, which includes cooperation with the Coalition mission in Afghanistan, substantive counterterrorism cooperation, and the deployment of two Patriot batteries to the island. With Crown Prince Salman's recent op-ed calling upon Arab states to make positive gestures toward Israel, Bahrain has gone out on a limb in support of a shared interest in regional peace.

¶2. (SBU) Accomplishing these missions and maintaining stability and security in the region requires resources. The Embassy is currently supporting a CENTCOM Chiefs of Mission conference that includes a long list of Department and DoD principals such as General Petraeus, Special Envoy Mitchell, AA/S Feltman, and S/CT Benjamin. During a recent five-week stretch, we hosted all three regional Special Envoys (Mitchell, Ross, and Holbrooke) and A/AS Feltman. CODELS, STAFFDELS, and DoD officials also stop regularly in Bahrain to consult with the Fifth Fleet Commander.

¶3. (SBU) Among the most pressing issues for Embassy Manama are the need for new USDH and LES positions, LES wages, and maintaining a chancery that has reached middle age. We are also looking at ways to improve the quality of life for our personnel, and we appreciate OBO's assistance as we evaluate the possible purchase of as many as 24 housing units to modernize our housing pool. I look forward to discussing with you ways that we can ensure this Mission has the resources it needs to succeed.

USDH and LES Position Requests

¶4. (SBU) Manama has 79 State and other-agency USDH positions, 96 LES, and 114 EFMs at post. Given the increasing workload to support high profile regional policy objectives and the ever-increasing number of VIP visits, Post requested in its most recent MSP two new USDH positions and six new LES positions. Currently, we have only two political reporting positions, an FS-02 section chief and an FS-04 political officer. Much of their time is devoted to preparation of mandated annual reports, VIP visits, managing programs, demarches, and reporting on Bahrain's external and security affairs. We have requested an additional FS-03 political office to allow us to engage more closely with both the Shia and Sunni communities here, better understand sectarian politics, and better promote moderation and stability.

Likewise, we have requested a Foreign Service Nurse Practitioner position to better serve an increasing ICASS customer base. Constant dust, sand, and air pollution contribute to chronic minor health complaints, which our two part-time health care personnel can only refer out to local clinics. Requests for three LES positions in GSO, two in Facilities Maintenance, and one in our ISC section reflect growth in the Mission's support workload and the need to maintain an aging chancery.

LES Wages

15. (SBU) Like many posts worldwide, LES compensation in Manama continues to lag well behind comparable employers and affects the Embassy's ability to hire and retain qualified staff. LES are the backbone of a Mission, and we neglect the pay gap issue at our own peril.

16. (SBU) In 2008, Post funded an average 12% increase for our LES in an attempt to compensate for years of inflation and lagging LES salaries. Despite this, we continue to find it difficult to compete with private sector employers that offer housing and educational allowances that we cannot. In calendar year 2008, we had four advertised openings for which we had no qualified applicants. Depending on the position, it has taken us an average of six to twelve weeks to fill vacancies, and the most often cited reason for qualified applicants declining a job offer with the Embassy is that the offered salary is too low. Seven LES resigned their positions in the past year to take better paying jobs outside

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the Embassy.

17. (SBU) You will hear from the LES Committee that the number one concern of the LES community is the salary gap. They will tell you that, while Manama's LES enjoy high job satisfaction, they find it ever more difficult to make ends meet. Private sector companies provide housing, education, and other allowances as part of an overall compensation package. Those allowances were discontinued for LES personnel in the mid-1990s following a recommendation from the Inspector General. Steadily rising rents, stagnant salaries, and high rates of overall inflation that have plagued the Gulf for many years have forced some non-Bahraini LES to choose between providing a reduced standard of living for their families, and sending them back to their home countries to save on rent and school fees.

CHANCERY OVERHAUL

18. (SBU) Manama's chancery, the last to be completed prior to the Inman Standards, is nineteen years old and is beginning to show its age. Over the past year, aging pipes have begun to leak and repeatedly flood areas of the building. Extensive security upgrades are necessary to bring the chancery up to modern standards. Growth in the Mission has also necessitated rewiring and remodeling of many parts of the building. Our Facilities Maintenance Officer will lead you on a tour of the facility and brief you in detail on planned FEBR upgrades, the plumbing replacement project, construction of a new CAC for consular customers, and planned rewiring and remodeling projects.

POSSIBLE HOUSING PURCHASE

19. (SBU) Embassy officers have also felt the pinch of spiraling rents over the past several years as it has rents have outstripped our authorized lease ceilings. This has meant that the Embassy has been forced to settle, in many

cases, for second class housing. As the housing sector has grown and new compounds have come online, we have continually found ourselves priced out of the market, able to afford rents only at 20-30 year-old compounds with long-in-the-tooth facilities.

¶10. (SBU) We have identified a new residential development, Riffa Views, which offers an opportunity to purchase as many as 24 units (representing roughly 40% of our housing pool). OBO just completed a survey of the properties and has entered into a 90-day option, having negotiated to buy a mix of 2, 3, and 4-bedroom homes and townhomes at a price of USD 12 million. As OBO completes its due diligence, we will take the pulse of the Embassy community to ensure that we have consensus on Riffa Views. You will have the opportunity to view these properties with our Acting Management Officer during your visit.
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